



Tel: 202-626-8700  
Fax: 202-626-8722  
50 F Street, NW Suite 900  
Washington, DC 20001  
[www.ncfc.org](http://www.ncfc.org)

February 16, 2015

Mr. Barry Mardock  
Deputy Director, Office of Regulatory Policy  
Farm Credit Administration  
1501 Farm Credit Drive  
McLean, VA 22102

***RE: Regulatory Capital Rules: Regulatory Capital, Implementation of Tier 1/Tier 2 Framework. Federal Register/Vol. 79, No. 171/September 4, 2014 (RIN 3052-AC81).***

Dear Mr. Mardock:

On behalf of the more than two million farmers and ranchers who belong to farmer cooperatives, the National Council of Farmer Cooperatives (NCFC) appreciates the opportunity to provide the following comments in response to the Farm Credit Administration's (FCA/the Agency) notice of proposed rulemaking: *Regulatory Capital, Implementation of Tier 1/Tier 2 Framework (RIN 3052-AC81)*.

Since 1929, NCFC has been the voice of America's farmer cooperatives. Our members are regional and national farmer cooperatives, which are composed of over 2,500 local farmer cooperatives across the country. As the only national trade association for farmer cooperatives, we have concerns over the Agency's proposed rule and its fundamental inconsistencies with cooperative principles. The cooperative structure of the Farm Credit System is unique among financial institutions. For nearly 100 years, the System's cooperative structure has offered farmers, ranchers, rural infrastructure, and rural communities stable access to credit through all types of agricultural, business and economic cycles. It is vital to the rural economy that the integrity of that structure be maintained as FCA's new capital regulations are implemented.

NCFC fully supports the comment letter submitted by the Farm Credit Council dated February 16, 2015, which offers suggested revisions to the proposed rule. We respectfully ask that FCA consider those revisions, as outlined by the System, which would allow for its compliance with the Basel III framework while maintaining the integrity of its cooperative structure. These revisions will allow the regulations to adequately reflect the cooperative principles for the benefit of System's member-owners, as originally intended by Congress.

We appreciate this opportunity to comment on FCA's proposed rule concerning capital regulations. Please do not hesitate to contact me directly if I can provide any further assistance on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles F. Conner".

Charles F. Conner  
President & CEO